COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

        APPLICATION OF EQUITABLE RESOURCES, INC.)
        FOR AN ORDER AUTHORIZING THE ISSUANCE   )   CASE NO.
        AND SALE OF UP TO 1,800,000 SHARES OF   )   94-124
        COMMON STOCK   )

O R D E R

On March 30, 1994, Equitable Resources, Inc. ("Equitable") filed an application seeking authority to create and issue up to 1,800,000 shares of common stock, without par value, pursuant to its Long-Term Incentive plan ("Plan"). The Plan provides for the grant of various types of awards including, but not limited to, stock options, stock appreciation rights, restricted stock grants and deferred stock. The awards will be made at the sole discretion of a Compensation Committee composed of outside Directors ineligible to participate in the Plan. No awards will be granted under the Plan after May 27, 1999.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that the creation, issuance and sale of the above securities by Equitable are for lawful objects within the corporate purposes of Equitable's operations, are necessary and appropriate for and consistent with the proper performance of its service to the public, and will not impair its ability to perform that service, and are reasonably necessary and appropriate for such purposes and should, therefore, be approved.

IT IS THEREFORE ORDERED that:

1. Equitable be and it hereby is authorized to create and issue during 1994 and subsequent years up to May 27, 1999, 1,800,000 shares of its common stock pursuant to its Plan.

2. Equitable shall notify the Commission of the number of shares issued through its Plan each June through 1999.

Nothing contained herein shall be construed as finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 8th day of June, 1994.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director